

## 7A Am. Jur. 2d Automobiles § 30

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### Automobiles and Highway Traffic

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### II. Title and Ownership; Transfers and Encumbrances

#### A. Title

## § 30. Certificates of title

[Topic Summary](#) | [Correlation Table](#) | [References](#)

#### West's Key Number Digest

West's Key Number Digest, [Automobiles](#)  20

#### A.L.R. Library

[Liability of state, in issuing automobile certificate of title, for failure to discover title defect, 28 A.L.R.4th 184](#)

#### Forms

[Am. Jur. Legal Forms 2d § 1:21](#) (Affidavit—Loss of certificate of title to vehicle)

[Am. Jur. Legal Forms 2d § 33.21](#) (Application—For certificate of title—In form of affidavit)

In many states, the statutes provide a system of registering the title to motor vehicles not unlike the Torrens system of registering title to real property.<sup>1</sup> Such statutes constitute an authorized exercise of the police power on the part of the legislature, and do not violate any of the provisions of the Federal Constitution.<sup>2</sup> Such a statute is a police regulation of the highest order and should be liberally construed to accomplish its purpose.<sup>3</sup> The provisions of such statutes vary between jurisdictions, but they

have in common an arrangement for the issuance of a certificate of title or similar instrument which, it is intended, shall show who is the owner of the vehicle.<sup>4</sup>

Statutes providing a system for registering title are to be interpreted in accordance with the general purpose sought to be effectuated by them,<sup>5</sup> which is to prevent theft and fraud in the transfer of title to motor vehicles.<sup>6</sup> The requirement that vehicles be titled serves the purpose of protecting owners of motor vehicles, persons holding liens thereon, and the public in transactions involving vehicles.<sup>7</sup> The function of a statutory scheme governing motor vehicle titles is to outline a single filing procedure for the notation of ownership and security interests in vehicles on the certificate of title.<sup>8</sup> Under this unified system, parties to a commercial transaction may rely with practical certitude on the ownership and security interests inscribed on the certificate of title.<sup>9</sup> A certificate of title statute is designed to allow buyers to readily and reliably ascertain the status of a seller's title without recourse to official state records.<sup>10</sup>

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#### Footnotes

- 1 [Merchants Rating & Adjusting Co. v. Skaug](#), 4 Wash. 2d 46, 102 P.2d 227 (1940).
- 2 [State ex rel. City Loan & Savings Co. v. Taggart](#), 134 Ohio St. 374, 12 Ohio Op. 517, 17 N.E.2d 758 (1938).
- 3 [Reddish v. Heartland Auto Plaza](#), 197 S.W.3d 634 (Mo. Ct. App. S.D. 2006).
- 4 [Hicks v. Thomas](#), 516 So. 2d 1344, 6 U.C.C. Rep. Serv. 2d 105 (Miss. 1987); [Martin v. Nager](#), 192 N.J. Super. 189, 469 A.2d 519, 38 U.C.C. Rep. Serv. 781 (Ch. Div. 1983).
- 5 [In re Bill](#), 529 B.R. 779 (Bankr. D. Idaho 2015) (applying Idaho law); [Theriac v. McKeever](#), 405 So. 2d 354 (La. Ct. App. 2d Cir. 1981); [Shaffer v. Federated Mut. Ins. Co.](#), 903 S.W.2d 600 (Mo. Ct. App. S.D. 1995).
- 6 [Burton v. SS Auto Inc.](#), 426 S.W.3d 43 (Mo. Ct. App. W.D. 2014); [Reddish v. Heartland Auto Plaza](#), 197 S.W.3d 634 (Mo. Ct. App. S.D. 2006); [Allan Nott Ents, Inc. v. Nicholas Starr Auto, L.L.C.](#), 110 Ohio St. 3d 112, 2006-Ohio-3819, 851 N.E.2d 479 (2006); [Gramercy Ins. Co. v. Arcadia Financial Ltd.](#), 32 S.W.3d 402 (Tex. App. Houston 14th Dist. 2000); [Concord General Mut. Ins. Co. v. Sumner](#), 171 Vt. 572, 762 A.2d 849, 43 U.C.C. Rep. Serv. 2d 875 (2000).
- 7 [Flynn v. Indiana Bureau of Motor Vehicles](#), 716 N.E.2d 988 (Ind. Ct. App. 1999); [Saturn of Kings Automall, Inc. v. Mike Albert Leasing, Inc.](#), 92 Ohio St. 3d 513, 2001-Ohio-1274, 751 N.E.2d 1019, 45 U.C.C. Rep. Serv. 2d 478 (2001).
- 8 [First Nat. Bank of the North v. Automotive Finance Corp.](#), 661 N.W.2d 668, 50 U.C.C. Rep. Serv. 2d 915 (Minn. Ct. App. 2003).
- 9 [First Nat. Bank of the North v. Automotive Finance Corp.](#), 661 N.W.2d 668, 50 U.C.C. Rep. Serv. 2d 915 (Minn. Ct. App. 2003).
- 10 [Sachtjen v. American Family Mut. Ins. Co.](#), 49 P.3d 1146 (Colo. 2002).

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